

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

INTERFACE IP HOLDINGS LLC,

Plaintiff,

v.

ELLIE MAE, INC.,

Defendant.

Civil Action No. _____

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

This is an action for patent infringement in which Plaintiff, Interface IP Holdings LLC (“Interface IP”), makes the following allegations against Defendant Ellie Mae, Inc. (“Ellie Mae” or “Defendant”):

PARTIES

1. Plaintiff Interface IP is a limited liability company duly organized and existing under the laws of Oregon, having its principal place of business in Bend, Oregon.
2. On information and belief, Defendant is a corporation organized and existing under the laws of Delaware, with its principal place of business in Pleasanton, California.

NATURE OF THE ACTION

3. This is a civil action for the infringement of United States Patent No. 7,296,221 (“the ’221 Patent”) (or, “the Patent-in-Suit”) under the Patent Laws of the United States 35 U.S.C. § 1 *et seq.*

JURISDICTION AND VENUE

4. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because this action arises under the patent laws of the United States, including 35 U.S.C. § 271 *et seq.*
5. This Court has personal jurisdiction over Defendant because, among other things,

Defendant is incorporated in Delaware and conducts or has conducted business in Delaware.

Upon information and belief, Defendant has committed and/or participated in the commission of patent infringement in Delaware and elsewhere in the United States, and has harmed and continues to harm Interface IP in Delaware.

6. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1400(b).

PATENT-IN-SUIT

7. On November 13, 2007, the '221 Patent, titled "System and Method for Remote, Automatic Reporting and Verification of Forms," was duly and lawfully issued by the U.S. Patent and Trademark Office. The '221 Patent is attached hereto as Exhibit A.

8. Interface IP owns the '221 Patent and holds the right to sue and recover damages for infringement thereof, including past infringement.

FACTUAL ALLEGATIONS

9. Ellie Mae offers an all-in-one software system known as Encompass to automate the mortgage process for its customers. Included in the Encompass system are integrated applications used to process user completed forms known as Encompass Document Management and Encompass Docs Solution ("Encompass Form Processing Software"). Ellie Mae's products are described at www.elliemae.com.

10. Ellie Mae's Encompass Form Processing Software allows customers to eSign documents and upload them directly into an eFolder, or wet sign and deliver the documents back to the system via fax, mail, or upload.

11. Ellie Mae's Encompass Form Processing Software provides its customers with the ability to enter user-specific data into fields that can be populated into selected forms or form templates.

12. Ellie Mae's Encompass Form Processing Software utilizes a center system for responding to customer requests and to further process forms. The center system allows users to remotely process forms via fax, mail, or upload.

13. Ellie Mae's Encompass Form Processing Software allows customers to request a user-specific form while inserting a document name placeholder in an eFolder.

14. Ellie Mae's Encompass Form Processing Software utilizes a center system to generate specific instances of user-specific forms through the use of a request-specific identifier in the form of a QR and/or bar code.

15. "Bar codes allow the Encompass intelligent document recognition (IDR) feature to accurately identify files and automatically assign them to the appropriate document tracking records in the eFolder."¹

16. Ellie Mae's Encompass Form Processing Software utilizes a feature known as "Auto Assign." A user has the option of clicking an "Auto Assign" button to automatically place documents in placeholders that were created when a form was requested.

17. On April 27, 2017, Interface IP informed Brian Brown, Defendant's General Counsel, that Defendant's form management software Encompass infringes at least claim 16 of the '221 Patent. Specifically, Interface IP informed Mr. Brown that Encompass intelligent document recognition infringes at least claim 16 of the '221 Patent.

COUNT I

Infringement of U.S. Patent No. 7,296,221

18. Paragraphs 1-17 are incorporated by reference as if fully restated herein.

19. Defendant, directly and/or through intermediaries, has acted and is acting to make, use, import, ship, distribute, offer for sale, sell, and/or advertise Encompass Form Processing Software.

20. On information and belief, Defendant has had knowledge of the '221 Patent, as well as the fact that its customers use Defendant's technology to infringe the '221 Patent, since at

¹ <http://help.elliemaе.com/documentation/encompass/Content/encompass/settings/barcode.htm?Highlight=%22bar%20code%22>

least April 27, 2017.

21. Defendant has been and is now directly infringing and indirectly infringing the '221 Patent by way of inducement, literally and/or under the doctrine of equivalents, in this District, and elsewhere, in violation of at least 35 U.S.C. § 271(a) and (b), by, among other things, directly, or by way of inducement, developing, making, using, selling, shipping, distributing, advertising, and/or offering for sale in the United States or importing into the United States products and/or services, including but not limited to, Encompass Form Processing Software, that, alone or in combination with other devices and/or systems, perform each step of at least claim 16 of the '221 Patent. By way of example, on information and belief, Encompass Form Processing Software uses software for processing user-specific forms, including the ability to automatically generate and augment a request-specific identifier to a form that uniquely identifies a specific instance of a user-specific form, and uses software to store an association of a request-specific identifier with a specific instance of a user-specific form.

22. On information and belief, Defendant actively induces customers, advertisers, publishers, distributors, retailers and/or end users of its Encompass Form Processing Software to infringe the '221 Patent, in violation of at least 35 U.S.C. § 271(b), by, among other things, advertising and promoting its Encompass Form Processing Software, including, but not limited to, promotional materials on www.elliemaе.com.

23. On information and belief, Defendant engages in the foregoing activities because it specifically intends customers, publishers, distributors, retailers and/or end users to use, make, develop, publish, distribute, advertise and/or operate products covered by at least claim 16 of the '221 Patent.

24. On information and belief, through Defendant's policies and practices of not investigating whether its products and services infringe the patents of others, Defendant intentionally took steps to avoid learning the extent of its infringement of the '221 Patent.

25. Interface IP has been damaged by Defendant's infringement of the '221 Patent.

PRAYER FOR RELIEF

Wherefore, Plaintiff Interface IP respectfully requests that this Court enter judgment against Defendant as follows:

- a) adjudging that the Defendant has infringed, literally or under the doctrine of equivalents, the '221 Patent;
- b) adjudging that Defendant's infringement of the '221 Patent is willful;
- c) awarding Interface IP the damages to which it is entitled under 35 U.S.C. § 284 for Defendant's infringement;
- d) adjudging that this case is exceptional under 35 U.S.C. § 285 and awarding Interface IP attorneys' fees, costs, and expenses that it incurs in prosecuting this action;
- e) awarding Interface IP pre-judgment and post-judgment interest on its damages; and
- f) awarding Interface IP such other and further relief in law or equity that the Court deems just and proper.

DEMAND FOR JURY TRIAL

Interface IP hereby respectfully demands a trial by jury on all claims and issues so triable.

Dated: June 15, 2017

Respectfully submitted,

FARNAN LLP

/s/ Brian E. Farnan

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